

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF COLUMBIA GAS OF)	
KENTUCKY, INC. FOR AUTHORITY TO ACQUIRE)	
CERTAIN FACILITIES OF THE INLAND GAS)	
COMPANY, INC. AND FOR A CERTIFICATE)	CASE NO. 92-274
OF PUBLIC CONVENIENCE AND NECESSITY TO)	
SERVE CUSTOMERS LOCATED IN CARTER AND)	
BOYD COUNTIES, KENTUCKY)	

O R D E R

IT IS ORDERED that Columbia Gas of Kentucky, Inc. ("Columbia") and Kentucky-Ohio Gas Company ("KOG") shall respectively file the original and 12 copies of the following information with the Commission pursuant to the procedural schedule contained in Appendix A. Each response shall indicate the witness responsible for the provision of such information. Columbia and KOG shall adhere in all other respects to the attached procedural schedule.

To Be Provided by Columbia:

1. Provide a thorough explanation of how Columbia projected the amounts shown as "first full year after transfer" on Exhibit I of the application.
2. Provide an updated version of Exhibit H of the application, showing the same information but for the twelve months ended June 30, 1992.
3. Provide a schedule similar to Exhibit H of the application, comparing Inland Gas Company, Inc. ("Inland")

transportation, contract, and KRS 278.485 customers as of January 1, 1992 with those as of June 30, 1992. Identify the companies providing service to those customers who left Inland during this period.

4. Provide an updated version of Exhibit I of the application, reflecting the following circumstances:

a. On page 1 of 3, project an income statement based on Inland's level of customers as of June 30, 1992.

b. On page 2 of 3, provide an income statement for the twelve months ended June 30, 1992, instead of February 28, 1992.

c. On page 3 of 3, provide a worksheet calculating depreciation expense based on Inland's utility plant as of June 30, 1992.

5. Concerning the Inland customers Columbia would be serving after the proposed transfer:

a. Has Inland disclosed to Columbia its pending loss of the Federal Correction Institute ("FCI") as a customer?

b. What would be the impact on Columbia's projected rate of return, as reported in Exhibit I of the application, assuming the loss of FCI volumes and associated revenues?

c. Has Inland indicated any other actual or potential loss of customers to Columbia? If so, what is the associated impact on the rate of return, volumes, and associated revenues?

6. Provide copies of any cost/benefit analysis performed by or for Columbia concerning the economic feasibility of the proposed

transfer. If one has not been prepared, explain in detail why such an analysis was not prepared.

7. Provide a detailed income statement, balance sheet, and statement of cash flows for Inland, as of either June 30, 1992 or as of the most recent date available to Columbia.

8. Provide the accounting entries to be made by Columbia to reflect its acquisition of the Inland assets. All entries should be made in accordance with the Uniform System of Accounts for Gas Utilities. Include all workpapers, calculations, and supporting documentation.

To Be Provided by KOG:

1. Concerning Exhibit H of Columbia's application, provide the following information:

a. Which customers on this exhibit does KOG currently serve?

b. Which customer(s) does KOG have pending contracts to serve?

c. Supply copies of any and all contracts KOG has with customers listed on Exhibit H.

d. Indicate which contracts provided in the response to part (c) above represent total supply for the customer.

Done at Frankfort, Kentucky, this 7th day of August, 1992.

PUBLIC SERVICE COMMISSION

ATTEST:


Executive Director


For the Commission

APPENDIX A
APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 92-274 DATED AUGUST 7, 1992

Responses of all parties to any data requests
shall be due no later than 8/13/92

Public Hearings are to begin at 9:30 a.m.,
Eastern Daylight Time, in Hearing Room 1 of
the Commission's offices at 730 Schenkel
Lane, Frankfort, Kentucky 8/17/92